

ORDER FOR SUPPLIES OR SERVICES										PAGE 1 OF 6	
1. CONTRACT PURCH ORDER/AGREEMENT NO. <div>DAAE07-96-D-T024</div>			2. DELIVERY ORDER/CALL NO. <div>0145</div>		3. DATE OF ORDER/CALL (YYYYMMDD) <div>2003DEC01</div>		4. REQUISITION/PURCH REQUEST NO. <div>SEE SCHEDULE</div>		5. PRIORITY <div>DOA4</div>		
6. ISSUED BY TACOM WARREN BLDG 231 AMSTA-AQ-AHPC SHIRLEY GHARAGOZLOO (586)574-7163 WARREN, MICHIGAN 48397-5000 EMAIL: GHARAGOS@TACOM.ARMY.MIL HTTP://CONTRACTING.TACOM.ARMY.MIL			CODE <div>W56HZV</div>	7. ADMINISTERED BY (If other than 6) DCMA INDIANAPOLIS EMMETT J. BEAN CENTER 8899 E. 56TH ST. INDIANAPOLIS, IN 46249-5701 SCD: B PAS: NONE ADP PT: HQ0337				CODE <div>S1501A</div>	8. DELIVERY FOB <input type="checkbox"/> DESTINATION <input checked="" type="checkbox"/> OTHER (See Schedule if other)		
9. CONTRACTOR CUMMINS ENGINE COMPANY INC 500 JACKSON STREET M/C 80960 COLUMBUS, IN. 47201-6258 NAME AND ADDRESS TYPE BUSINESS: Large Business Performing in U.S.			CODE <div>15434</div>	FACILITY <div></div>	10. DELIVER TO FOB POINT BY (Date) (YYYYMMDD) SEE SCHEDULE			11. X IF BUSINESS IS <input type="checkbox"/> SMALL <input type="checkbox"/> SMALL DISADVANTAGED <input type="checkbox"/> WOMAN-OWNED		12. DISCOUNT TERMS <div></div>	
13. MAIL INVOICES TO THE ADDRESS IN BLOCK <div>See Block 15</div>											
14. SHIP TO <div>SEE SCHEDULE</div>			CODE <div></div>	15. PAYMENT WILL BE MADE BY DFAS - COLUMBUS CENTER DFAS-CO/NORTH ENTITLEMENT OPERATION P.O. BOX 182266 COLUMBUS OH 43218-2266				CODE <div>HQ0337</div>	MARK ALL PACKAGES AND PAPERS WITH IDENTIFICATION NUMBERS IN BLOCKS 1 AND 2		
16. TYPE OF ORDER	DELIVERY/ CALL	<input checked="" type="checkbox"/>	THIS DELIVERY ORDER IS ISSUED ON ANOTHER GOVERNMENT AGENCY OR IN ACCORDANCE WITH AND SUBJECT TO TERMS AND CONDITIONS OF ABOVE NUMBERED CONTRACT.								
	PURCHASE		Reference your <input type="checkbox"/> Oral <input type="checkbox"/> Written Quotation _____, Dated _____. furnish the following on terms specified herein.								
ACCEPTANCE. THE CONTRACTOR HEREBY ACCEPTS THE OFFER REPRESENTED BY THE NUMBERED PURCHASE ORDER AS IT MAY PREVIOUSLY HAVE BEEN OR IS NOW MODIFIED, SUBJECT TO ALL OF THE TERMS AND CONDITIONS SET FORTH, AND AGREES TO PERFORM THE SAME.											
<div style="display: flex; justify-content: space-between;"> <div>NAME OF CONTRACTOR</div> <div>SIGNATURE</div> <div>TYPED NAME AND TITLE</div> <div>DATE SIGNED (YYYYMMDD)</div> </div> <div><input checked="" type="checkbox"/> If this box is marked, supplier must sign Acceptance and return the following number of copies:</div>											
17. ACCOUNTING AND APPROPRIATION DATA/LOCAL USE <div>SEE SCHEDULE</div>											
18. ITEM NO.		19. SCHEDULE OF SUPPLIES/SERVICE			20. QUANTITY ORDERED/ ACCEPTED*		21. UNIT	22. UNIT PRICE		23. AMOUNT	
		SEE SCHEDULE CONTRACT TYPE: Fixed-Price Economic Price Adjustment KIND OF CONTRACT: Supply Contracts and Priced Orders									
* If quantity accepted by the Government is same as quantity ordered, indicate by X. If different, enter actual quantity accepted below quantity ordered and encircle.				24. UNITED STATES OF AMERICA ELLEN DENNIS /SIGNED/ DENNISE@TACOM.ARMY.MIL (586)574-8056 BY: _____ CONTRACTING/ORDERING OFFICER					25. TOTAL <div>\$5,455,266.96</div>		
27a. QUANTITY IN COLUMN 20 HAS BEEN <input type="checkbox"/> INSPECTED <input type="checkbox"/> RECEIVED <input type="checkbox"/> ACCEPTED, AND CONFORMS TO CONTRACT EXCEPT AS NOTED											
b. SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE					c. DATE (YYYYMMDD)		d. PRINTED NAME AND TITLE OF AUTHORIZED GOVERNMENT REPRESENTATIVE				
e. MAILING ADDRESS OF AUTHORIZED GOVERNMENT REPRESENTATIVE					28. SHIP. NO. <input type="checkbox"/> PARTIAL <input type="checkbox"/> FINAL		29. D.O. VOUCHER NO.		30. INITIALS		
f. TELEPHONE NUMBER		g. E-MAIL ADDRESS			31. PAYMENT <input type="checkbox"/> COMPLETE <input type="checkbox"/> PARTIAL <input type="checkbox"/> FINAL		32. PAID BY		33. AMOUNT VERIFIED CORRECT FOR		
36. I CERTIFY THIS ACCOUNT IS CORRECT AND PROPER FOR PAYMENT.									34. CHECK NUMBER		
a. DATE (YYYYMMDD)		b. SIGNATURE AND TITLE OF CERTIFYING OFFICER							35. BILL OF LADING NO.		
37. RECEIVED AT		38. RECEIVED BY (Print)		39. DATE RECEIVED (YYYYMMDD)		40. TOTAL CONTAINERS		41. S/R ACCOUNT NUMBER		42. S/R VOUCHER NO.	

Name of Offeror or Contractor: CUMMINS ENGINE COMPANY INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
	SUPPLIES OR SERVICES AND PRICES/COSTS				
0194	NSN: 2815-01-423-0929 FSCM: 19207 PART NR: 57K1539 SECURITY CLASS: Unclassified				
0194AA	<u>PRODUCTION QUANTITY</u> NOUN: ENGINE, DIESEL (IWS 600HP) PRON: EH4Y6123EH PRON AMD: 01 ACRN: AA AMS CD: 060015 Remanufacture/convert from VTA903-T500 core to ENGINE, DIESEL, CUMMINS MODEL VTA903-T600 IMPROVED WHITE SMOKE, in accordance with the attached Scope of Work. Engines to be returned in refurbished metal Containers for use in the Bradley Fighting Vehicle System. THIS IS A REMANUFACTURE/CONVERSION EFFORT. THE GOVERNMENT WILL BE PROVIDING THE CONTRACTOR WITH CORE. (End of narrative B001) <u>Packaging and Marking</u> PACKAGING/PACKING/SPECIFICATIONS: AK14230929 UNIT PACK: 001 LEVEL PRESERVATION: Military LEVEL PACKING: A Engines will be packaged in refurbished (PRM-1500) Containers with new Shear Mounts. Contractor will work to TB-9-289 (refurbished) in lieu of A-A-52462 (new). Instructions regarding special marking for rebuilt engines will not apply to remanufactured engines. Marking of exterior pack to be shown in accordance with MIL-STD-129, Revision M. (End of narrative E002) <u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin	138	EA	\$ 39,530.92000	\$ 5,455,266.96

Name of Offeror or Contractor: CUMMINS ENGINE COMPANY INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT																														
	<p>Inspection/Acceptance of this Delivery Order will be under the terms of FAR 52.246-15 Certificate of Conformance.</p> <p>The place of performance and the inspection/acceptance point for the finished product (Engine in Container) is as follows:</p> <p>Indiana Research Institute 4571 Long Road Columbus, IN 47203</p> <p>(End of narrative E001)</p> <p><u>Deliveries or Performance</u></p> <table><tr><td>DOC</td><td>SUPPL</td><td></td><td></td><td></td><td></td></tr><tr><td><u>REL CD</u></td><td><u>MILSTRIP</u></td><td><u>ADDR</u></td><td><u>SIG CD</u></td><td><u>MARK FOR</u></td><td><u>TP CD</u></td></tr><tr><td>001</td><td>W56HZV3329T604</td><td>SW3227</td><td>J</td><td></td><td>2</td></tr><tr><td><u>DEL REL CD</u></td><td><u>QUANTITY</u></td><td><u>DEL DATE</u></td><td></td><td></td><td></td></tr><tr><td>001</td><td>138</td><td>30-SEP-2004</td><td></td><td></td><td></td></tr></table> <p>FOB POINT: Origin</p> <p>SHIP TO: <u>FREIGHT ADDRESS</u> (SW3227) DEF DIST DEPOT RED RIVER RECEIVING BLDG 499 10TH STREET AND K AVENUE TEXARKANA TX 75507-5000</p> <p><u>CONTRACT/DELIVERY ORDER NUMBER</u> DAAE07-96-D-T024/0145</p> <p>Contractor will adhere to the following delivery schedule if at all possible:</p> <p>25 Each - 30 Apr 2004 25 Each - 31 May 2004 25 Each - 30 Jun 2004 25 Each - 31 Jul 2004 25 Each - 31 Aug 2004 13 Each - 30 Sep 2004</p> <p>DELIVERY ACCELERATION IS ACCEPTABLE AND ENCOURAGED PROVIDED THERE IS NO ADDITIONAL COST TO THE GOVERNMENT.</p> <p>(End of narrative F001)</p>	DOC	SUPPL					<u>REL CD</u>	<u>MILSTRIP</u>	<u>ADDR</u>	<u>SIG CD</u>	<u>MARK FOR</u>	<u>TP CD</u>	001	W56HZV3329T604	SW3227	J		2	<u>DEL REL CD</u>	<u>QUANTITY</u>	<u>DEL DATE</u>				001	138	30-SEP-2004							
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CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN DAAE07-96-D-T024/0145 MOD/AMD	Page 4 of 6
Name of Offeror or Contractor: CUMMINS ENGINE COMPANY INC		

INSPECTION AND ACCEPTANCE

	<u>Regulatory Cite</u>	<u>Title</u>	<u>Date</u>
1	52.246-15	CERTIFICATE OF CONFORMANCE	APR/1984

(a) When authorized in writing by the cognizant Contract Administration Office (CAO), the Contractor shall ship with a Certificate of Conformance any supplies for which the contract would otherwise require inspection at source. In no case shall the Government's right to inspect supplies under the inspection provisions of this contract be prejudiced. Shipments of such supplies will not be made under this contract until use of the Certificate of Conformance has been authorized in writing by the CAO, or inspection or inspection and acceptance have occurred.

(b) The Contractor's signed certificate shall be attached to or included on the top copy of the inspection or receiving report distributed to the payment office or attached to the CAO copy when contract administration (Block 10 of the DD Form 250) is performed by the Defense Contract Administration Services. In addition, a copy of the signed certificate shall also be attached to or entered on copies of the inspection or receiving report accompanying the shipment.

(c) The Government has the right to reject defective supplies or services within a reasonable time after delivery by written notification to the Contractor. The Contractor shall in such event promptly replace, correct, or repair the rejected supplies or services at the Contractor's expense.

(d) The certificate shall read as follows:

I certify that on (date) , the (insert Contractor's name) furnished the supplies or services called for by Contract number via (Carrier) on (Identify the bill of lading or shipping document) in accordance with all applicable requirements. I further certify that the supplies or services are of the quantity specified and conform in all respects with the contract requirements, including specifications, drawings, preservation, packaging, packing, marking requirements, and physical item identification (part number), and are in the quantity shown on this or on the attached acceptance document.

Date of Execution:
Signature:
Title:

[End of Clause]

Name of Offeror or Contractor: CUMMINS ENGINE COMPANY INC

CONTRACT ADMINISTRATION DATA

LINE	PRON/ AMS CD/ ITEM	OBLG STAT	ACCOUNTING CLASSIFICATION	JOB ORDER NUMBER	ACCOUNTING STATION	OBLIGATED AMOUNT
0194AA	EH4Y6123EH 060015	AA2	97 X4930AC9D 6D	2571 S20113	W56HZV \$	5,455,266.96
TOTAL						\$ 5,455,266.96

SERVICE NAME	TOTAL BY ACRN	ACCOUNTING CLASSIFICATION	ACCOUNTING STATION	OBLIGATED AMOUNT
Army	AA	97 X4930AC9D 6D	2571 S20113	W56HZV \$ 5,455,266.96
TOTAL				\$ 5,455,266.96

CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN DAAE07-96-D-T024/0145 MOD/AMD	Page 6 of 6
Name of Offeror or Contractor: CUMMINS ENGINE COMPANY INC		

LIST OF ATTACHMENTS

<u>List of Addenda</u>	<u>Title</u>	<u>Date</u>	<u>Number of Pages</u>	<u>Transmitted By</u>
Attachment 001	VTA903-T500 TO VTA903-T600 ENGINE REMANUFACTURE AND CONVERSION SCOPE OF WORK			

VTA903-T500 to VTA903-T600 Engine Remanufacture and Conversion
Scope of Work

This Statement of Work (SOW) will serve as the vehicle for tasking Cummins Inc. (Cummins) for the remanufacture/conversion of VTA903-T500 engines to VTA903-T600 engines for the US Army, as needed. There is no time limit for this SOW; however, the included engine pricing and replacement core charge list will be updated annually.

The VTA903-T500 core for the engines to be remanufactured will be provided by the Government, will be considered by Cummins as core material, and, therefore, will become the property of Cummins. Unusable core will require replacement either by providing a direct replacement for the unusable core (provide useable part), or by purchasing replacement core from Cummins at pricing included in the engine replacement core charge list below.

Cummins shall remanufacture the engines in accordance with their corporate remanufacturing practices and standards. Upon completion of the engine remanufacture, Cummins shall be responsible for arranging shipping of the remanufactured engine to the location/address provided. Cost of transportation can be included in the Remanufacture/Conversion engine pricing, or funded separately. Delivery of the remanufactured engine(s) shall be negotiated at the time of purchase.

Cummins shall provide the remanufactured engine with a new serial number and the same base engine warranty as provided with new production engines. Estimated completion dates can be provided upon request. The agreed upon deliverable for each acceptable VTA903-T500 core engine shall be a remanufactured engine in the most current production configuration for the VTA903-T600 engine.

Cummins can also provide refurbished PRM-1500 or 12298163 containers for engine core material provided to Cummins in used PRM-1500 or 12298163 containers. Used PRM-1500 or 12298163 containers as core for the refurbishing process provided by the Government, will be considered by Cummins as core material, and, therefore, will become the property of Cummins. Cummins will notify the Government of any unusable PRM-1500 or 12298163 container core.

The agreed upon deliverable for each acceptable PRM-1500 or 12298163 core container shall be a refurbished PRM-1500 or 12298163 container. Containers shall be refurbished in accordance with Department of the Army Technical Bulletin TB9-289, and marked in accordance with MIL-STD-129M.

Engine Remanufacturing & Option Pricing, and
Replacement Core Charge List

Calendar Year 2004

VTA903-T600 Conversion Engine	
Remanufacture Price	\$36,400.00

Component	P/N	Core Value
Crankshaft	AR12976	\$2,522.16
Camshaft	3072869	\$ 567.28
Cylinder Head Castings	180102	\$1,037.80
Camshaft Gear	3031728	\$ 160.89
Connecting Rods	3073579	\$ 131.30
Transmission Oil Cooler	3066146	\$ 977.77
Vibration Damper	3552912	\$ 256.17
Rocker Lever Housing	3086378	\$ 147.58
Rear Crank Adapter	215633	\$ 108.84
Flywheel Housing	3017378	\$ 534.05
Flywheel	3004152	\$ 146.12
Radiator Support	3017395	\$ 94.59
Radiator Support	3017396	\$ 75.51
Gear Cover	3160999	\$ 95.21

Option Pricing	CENTRY	\$1,560.00
	Export Box	\$ 312.00
	Refurbished Container	\$3,130.92

REBUILD VS REMANUFACTURE

Rebuilding of a heavy duty Cummins engine (such as the V903) typically involves the replacement of wear components such as the engine bearings, piston rings, cylinder liners, etc. An extensive rebuild can also include requalification of some of the engine critical areas such as the upper and lower counter bore areas of the cylinder block for proper fit of the replaceable wet cylinder liners. Rebuild of major components is also typically a part of an extensive engine rebuild.

Cummins' shop manuals, available for the various model engines, provide the needed information for service re-use of certain components, and instructions for disassembly and reassembly of the engine. Rebuilding is typically performed in a job shop type of environment, even when fairly large quantities are involved.

Remanufacture of an engine is essentially restoring the engine to a like new condition. The single most important ingredient that segregates a new engine from one that is remanufactured is that the new engine cannot contain any used parts, whereas the remanufactured engine can.

Remanufacturing an engine includes inspection of all areas of wear, including areas of the engine that are known to wear after extensive operation that are not classified as wear areas in terms of rebuild. These areas, which include, but are not limited to, the turbocharger turbine and compressor casings, the water pump housing, certain areas of the cylinder block, etc., usually have some degree of wear due to relative movement of component assembly members from vibration or thermal expansion and contraction, and may have some minor damage due to contact with moving components that became excessively worn during operation, or failed.

During a remanufacturing process, such as that used by Cummins, areas where wear can occur are requalified to new engine condition. This can involve the addition of material, and then machining the component to new engine manufacturing print specifications, which requires access to Cummins' proprietary drawings. The entire engine work process is conducted in a mass production environment (as opposed to the earlier job shop environment), and the end product carries a warranty that is the same or similar to the new engine warranty.

The remanufacture of Cummins V903 family of engines is conducted in the same facility as is used for the production of new engines. A remanufactured V903 engine is assembled, tested, and finish processed using the same procedures, equipment, and personnel that are involved in the manufacture of a new V903 engine.

While there are many areas of detail that differentiate an engine rebuild from an engine remanufacture, the primary ones are the environment of the work (job shop vs. production) and the end level to which the product is taken (replacement of wear items vs. return to a like new condition), and the product warranty.

CORE QUALIFICATION

CORE ACCEPTANCE IS BASED ON AN EXTERNAL AND INTERNAL INSPECTION. CORE IS ACCEPTABLE IF CORE INSPECTION INDICATES FOLLOWING:

1. Core is complete with applicable engine component parts per Cummins Engine Company, Inc. specifications and drawings.
2. Primary engine and component castings are not visibly cracked, broken, or damaged.
3. Core is not damaged by non-operational causes such as rust, rough handling, or fire.
4. Core is free from all oils and fluids except for normal drainage that occurs during shipment. An additional charge will apply if core does not meet this standard.
5. Core has not been subjected to any salvage techniques that would render critical areas out of dimensional tolerance or otherwise unusable.